

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:648

ANSWERED ON:18.07.2002

WITHDRAWAL OF NAVRATNA STATUS FROM PSUS

NEDURUMALLI JANARDHANA REDDY

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government propose to withdraw `Navratna` status granted to some major Public Sector Units (PSUs);
- (b) if so, the details thereof and the reasons therefor;
- (c) the steps, the Government propose to take to help them to regain their original status;
- (d) whether the Government have any proposal to create another bigger class of PSUs called `Maha Navratnas`; and
- (e) if so, the details thereof and the criteria laid down for determining PSU as `Maha Navratna` and the way in which it would be different from Navratnas?

Answer

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL)

(a) to (c): Immediately, there is no proposal under consideration to withdraw the Navratna status of any particular PSE. However, the Government has created an institutional mechanism for the review of the performance of Navratna enterprises, grant of status of Navratna to new CPSEs and divestment of their Navratna status, as the case may be. An Apex Committee has been constituted for this purpose for which instructions have been issued on 15.3.2002. The format for reviewing the performance of Navratnas PSUs has since been drawn up. All the administrative Ministries/Departments have been asked to advise the Navratna PSUs under their administrative control to complete the format and forward it to the department of Public Enterprises through the administrative Ministry/Department.

(d) The Navratna status was given with a view to delegate enhanced financial and operational powers to some select PSUs that have comparative advantages with a view to support them in their drive to become global giants. Periodically reviewing performance of PSUs is an ongoing process. As a part of this process, `Maha Navratna` status for large profit making PSEs has only been discussed.

(e) Does not arise.